SUNDRY

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

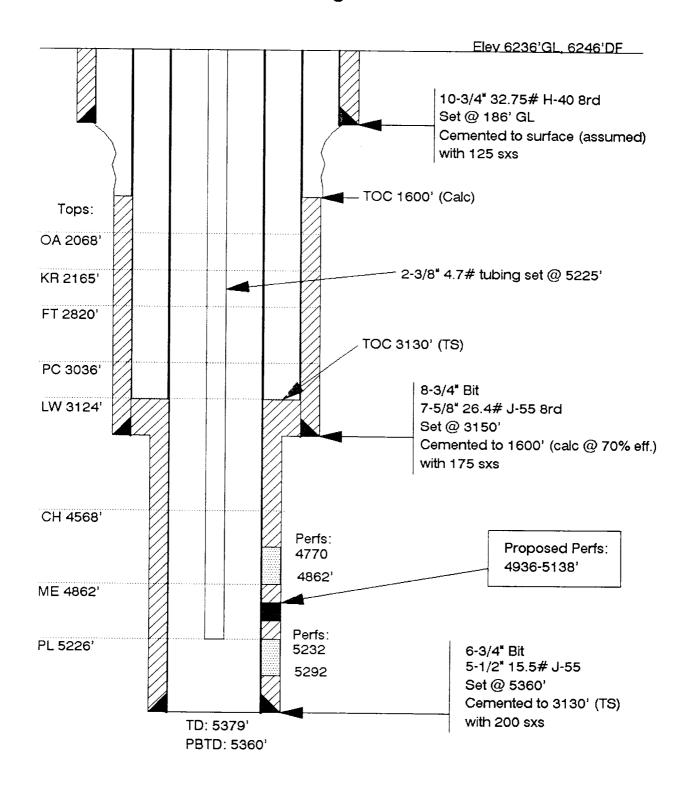


APPLICATION FOR PERMIT TO D	RILL, DEEPEN, OR PLUG BACK PH 2: 04
1a. TYPE OF WORK ADDITIONAL PERFORATIONS 1b. TYPE OF WELL GAS	5. LEASE NUMBER 7. SF 078423 6. IF INDIAN, ALL. OR TRIBE NAME
2. OPERATOR MERIDIAN OIL INC.	7. UNIT AGREEMENT NAME SAN JUAN 29-7 UNIT
3. ADDRESS & PHONE NO. OF OPERATOR P.O. BOX 4289 FARMINGTON, NM 87499 (505) 326-9700	8. FARM OR LEASE NAME SAN JUAN 29-7 UNIT 9. WELL NO. 48
4. LOCATION OF WELL 1100' FNL, 1115' FEL	10. FIELD, POOL, OR WILDCAT BLANCO MESAVERDE 11. SEC. T. R. M OR BLK. SECTION 8, T29N, R07W
14. DISTANCE IN MILES FROM NEAREST TOWN	12. COUNTY 13. STATE RIO ARRIBA N.M.
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE. 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DR. COMPL., OR APPLIED FOR ON THIS LEASE. 16. ACRES IN 16. ACRES IN 17. PROPERTY OF LOCATION OF LEASE IN 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DR. COMPL., OR APPLIED FOR ON THIS LEASE.	320.00 20. ROTARY OR CABLE TOOLS
21. ELEVATIONS (DF, FT, GR, ETC.) DIST. 3 62361 GR 6246 DF 23. PROPOSED CASING AND	22. APPROX. DATE WORK WILL START
*SEE OPERATIONS 1 24. AUTHORIZED BY: SEE OPERATIONS 1 REGULATORY AFFAIRS	PLAN
PERMIT NOAPPROVAL DATE	and the second s
APPROVED BYTITLE	DATE APPROVED
NOTE: THIS FORMAT IS ISSUED IN LIEU OF US BE (NO ADDITIONAL DIRT WORK WILL BE REQUI	W FORW 2160 2

NICOLD

San Juan 29-7 Unit #48 Menefee Pay Add Wellbore Diagram

NE, Sec 8, T29N-R7W Mesaverde Completed 1956



San Juan 29-7 Unit #48 Recommended Recompletion Procedure Menefee Pay Add

NE/4 Section 8, T29N-R7W

- 1. Inspect location. Repair location and location anchors if necessary. Comply with all BLM, MOI and NMOCD rules and regulations. Install 7x400 bbl frac tanks on location. Fill the tanks with 2,300 useable bbls of filtered (25 micron) 2% KCl water the day before moving on location. Add 5#'s of biocide to each tank before adding water.
- 2. MIRU. Hold safety meeting. Place all safety and fire fighting equipment in strategic locations. ND WH, NU BOP's. Kill well with filtered 2% KCl water if necessary.
- 3. TOOH with and stand back 2-3/8" tubing set @ 5225'. Visually inspect tubing and replace bad joints as needed. PU scraper and 5360' of 2-7/8" workstring. TIH with workstring and scraper. Make scraper run to 5232'. TOOH.
- 4. PU packer and RBP and TIH with workstring to 5220'. Set the RBP at 5220'. Pull up hole (PUH) and set packer around 5215'. Pressure test tubing and bridge plug to 5000 psi for 15 minutes. Release packer and PUH to 4760'. Set packer and pressure test casing above packer to 1600 psi for 15 minutes. If test fails, locate failure with the packer to within 30'. Contact production engineering and a repair procedure will be provided. TOOH. Dump sand on top of brige plug.
- 5. RU wireline with full lubricator. Run CNL-GR-CCl from 5220' to 4800'. Run CBL-GR-CCL from 5220' to 4800' under zero surface pressure. Report condition of bond to production engineering. Deliver copy of CNL-CCL-GR to production engineering for perforation confirmation. Do not proceed with perforating until perforations have been confirmed by engineering.
- 6. TIH with workstring and spot 275 bbls of double inhibited 7-1/2% HCl from 5150' to 4875'. TOOH.
- 7. Perforate the following Menefee intervals top down with 22 gram charges in 4" HSC's at 120 degree phasing:

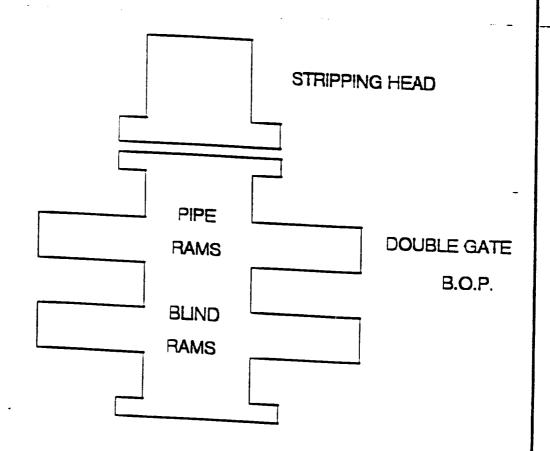
```
4936-39' (3') @ 4 SPF 5031-34' (3') @ 3 SPF 5113-22' (9') @ 2 SPF 4945-48' (3') @ 4 SPF 5039-47' (8') @ 2 SPF 5130-34' (4') @ 4 SPF 4961-64' (3') @ 4 SPF 5058-62' (4') @ 3 SPF 5136-38' (2') @ 4 SPF 5058-62' (4') @ 3 SPF Total: 12'; 48 perfs. Total: 18'; 46 perfs Total: 15'; 42 perfs
```

Total 45'; 136 perforations.

8. TIH with workstring and straddle packer. Break down Menefee perforations in 1' intervals with 7-1/2% HCl. Use 1 bbl per perforated foot at 1 BPM. Unload the hole from PBTD to surface with air. TOOH.

- 9. TIH with workstring and packer. Set packer at 5200'. Hold safety meeting then pressure test tubing and BP to 5000 psi for 15 minutes. Release packer and PUH to 4880'. Set packer and prepare to fracture stimulate the well.
- 10. RU stimulation company. Pressure test surface lines to 6000 psi (1000 psi over maximum treating pressure but no greater than the working pressure of the surface lines). Stimulate well with gelled water and sand.
- 11. SI well 6 hours for gel break. Flow well until possible to pull packer and tubing.
- 12. Kill well if possible with 2% KCl water down the tubing. Load tubing-casing annulus with filtered 2% KCl water at maximum rate with rig pump to kill well while releasing packer. SD pump and release packer. TOOH with workstring and packer. TIH with workstring and clean out to PBTD. Cleanup well until sand and water production are minimal.
- 13. RU Halliburton Logging Services. Run Tracerscan from PBTD to 4870'.
- 14. TIH with workstring with SN one joint off bottom of string and packer on bottom of string. Set packer at 4880'. Set a 48 hour Amerada pressure bomb in SN. SI well for 48 hours. Pull pressure bomb. Release packer and TOOH.
- 15. TIH with workstring and clean out to PBTD. Retrieve RBP with tubing. TOOH. TIH with workstring and clean out to COTD. TOOH and laydown 2-7/8" workstring.
- 16. TIH with 2-3/8" tubing with SN one joint off bottom. Land tubing around 5240'. Obtain final gauge. ND BOP's, NU WH. RDMO.

WORKOVER / RECOMPLETION B.O.P. SCHEMATIC



MINIMUM: 6" 2000 PSI DOUBLE GATE B.O.P.

MAXIMUM ANTICIPATED SHUT-IN WELLHEAD

PRESSURE IS LESS THAN 2000 PSI